



**GENEDGE ALLIANCE  
Board of Trustees Meeting  
Friday, December 2, 2016**

**Charlottesville, VA**

**Members Present**

Dr. James Atkinson  
Mr. Hans de Koning  
Dr. John A. Downey  
Mr. Marc Foglia  
Ms. Tamea Franco  
Dr. Tiffany McKillip Franks  
Mr. Doug Frost  
Ms. Marilyn Hanover  
Mr. Roy C. Irvine  
Mr. David Lohr  
Ms. Anna Yarashus

**Members Absent**

Dr. Makola Abdullah  
Mr. Ed Albrigo  
Mr. Jonathan Alger (Rep)  
Dr. Kevin Creehan  
Dr. John Dever (Rep)  
Mr. Aviv Goldsmith  
The Hon. Todd Haymore (Rep)  
The Hon. Karen Jackson  
Mr. Kevin Mumpower  
Dr. Bruce Scism  
Dr. Wayne P. Stilwell  
Mr. Meiky Tollman

**Representative Present**

**Representative Absent**

Dr. Jaime Camelio

**Others Present:** Mr. Michael Bollinger, Mr. Bill Donohue, Ms. Cindy Glisson, Mr. Stuart Harris (representing Dr. Dever), Dr. Yvonne Harris (representing Dr. Alger), Mr. Jeff Lucas (NIST), Mr. Roy Luebke, Ms. Aimee McCarthy, Mr. Pete Miles, Ms. Valerie Simpson, Mr. Larry Wilder (representing Secretary Haymore), and Mr. Dean Young.

~Call to Order~

Ms. Franco, called the meeting to order at 11:07 a.m.

~Welcome~

Ms. Franco welcomed everyone and thanked them for attending.

~Approval of Minutes~

Ms. Franco asked the board members to review the minutes from the September 16, 2016 meeting. Ms. Franco next asked for any additions, corrections, changes, or discussion to the minutes. Ms. Hanover stated that she had made Ms. Simpson aware of a minor correction. Ms. Hanover stated that the minutes should be approved based on the fact that Ms. Simpson will be the correction. A motion was made by Dr. Downey, seconded by Ms. Hanover and was approved.

~2017 Board Meeting Dates~

Ms. Franco asked Ms. Simpson to present the proposed 2017 meeting dates. Ms. Simpson stated that the proposed dates were included in the meeting packet. The dates are March 17, June 16, September 15 and December 1. She asked the board members to review the dates and reply their availability to her.

~Financial Update – FY17YTD~

Mr. Bollinger reviewed the operating metrics for FY17YTD (four months). Gross bookings were \$822,401, and on target primarily due to DMEP program. Gross billings totaled \$774,276. Net billings were \$585,912 and 55 manufacturers were served. Backlog was \$656,273 and net cash position was \$1,994,362, a significant change solely due to the increase in state funding this year. Mr. Bollinger then reviewed the billings and bookings by program and noted that fiscal year 2017 had started strong with 95 proposals resulting in 80 signed contracts.

The statement of revenue, expenditures and change in net position (cash basis) for four months ended October 31, 2016, showed revenue collections of \$2,324,477 and expensed paid of \$1,710,721 which increased net position by \$613,756.

Mr. Bollinger next discussed the Conflict of Interest requirements with the board members stating that citizen board members are to file a Financial Disclosure Statement annually and state employees are to file a Statement of Economic Interests annually. He informed them at COIA Training is required every two years and they could find the training at <http://ethics.dls.virginia.gov>, stating that they should select the State Employee and Officer Training Module.

~Security Update~

Mr. Bollinger concluded by informing the board that a motion to exclude board members from access to classified information was needed. A motion was made, properly seconded and approved. The following resolution was approved:

**WHEREAS**, current Department of Defense Regulations contain a provision making it mandatory that the Chairman of the Board, Senior Management Official and Facility Security Officer meet the requirements for eligibility for access to classified information established for a contractor facility security clearance; and

**WHEREAS**, said Department of Defense Regulations permit the exclusion of personnel from the requirements for access to classified information of certain members of the Board of Directors and other officers, provided that this action is recorded in the corporate minutes.

**NOW THEREFORE BE IT DECLARED** that the Chairman of the Board, Senior Management Official and Facility Security Officer at the present time do possess, or will be processed for, the required eligibility for access to classified information; and

**BE IT RESOLVED** that in the future, when any individual enters upon any duties as Chairman of the Board, Senior Management Official and Facility Security Officer, such individual shall immediately make application for the required eligibility for access to classified information; and

**BE IT RESOLVED AND DIRECTED** that the following members of the Board of Directors and other officers shall not require, shall not have, and can be effectively and formally excluded from access to all **CLASSIFIED** information disclosed to the corporation and shall not affect adversely corporate policies or practices in the performance of classified contracts for the Department of Defense or the Government contracting activities (User Agencies) of the National Industrial Security Program.

NAME	TITLE
Makola M. Abdullah	Trustee
Edward Albrigo	Trustee
Jonathan R. Alger	Trustee
Kevin D. Creehan	Trustee
John T. Dever	Trustee
John A. Downey	Trustee
Marc Foglia	Trustee
Tiffany McKillip Franks	Trustee
Douglas Frost	Trustee
Aviv Goldsmith	Trustee
Marilyn K. Hanover	Trustee
Todd Haymore	Trustee
Roy C. Irvine	Trustee
Karen R. Jackson	Trustee
Maurice A. Jones	Trustee
Hans de Koning	Trustee
David R. Lohr	Trustee
Kevin Mumpower	Trustee
Bruce R. Scism	Trustee
Wayne P. Stilwell	Trustee
Meiky Tollman	Trustee
Anna H. Yarashus	Trustee

~DMEP III Update~

Mr. Young began by informing the board members that Year 3 funding requests were received July 27, 2016. He stated that only companies who previously completed the CoreValue Assessment during program years one and two were eligible to participate in Year 3. An Advisory Panel compiled of board members was created and each company pitched their idea to the panel in a “Shark Tank” fashion. Pitches were presented October 7 and October 21. Twelve companies were selected to receive funding and notified of the award on November 1.

Mr. Young next shared the Advisory Panels comments and findings stating that the process provided opportunity for board engagement with clients. It also provided an objective evaluation and validation of a product, concept or business marketing plan. Also this method targeted the attributes most critical to State requirements (job creation, timing).

Next Mr. Young discussed that two Webinars were held August 4 and August 9, that explained the programs approach to the eligible companies. The CoreValue Assessment was updated August 15 and September 30, for the 30 companies who were eligible to participate. 26 of the companies attended webinars, 23 companies requested the assessment update. 22 of the 23 companies requested funding through the Advisory Panel pitches.

Mr. Young concluded by stating that service delivery to the 12 selected companies began November 2016 and would be completed by June 2017.

~Cyber Security Program~

Mr. Luebke began his presentation by discussing two sets of problems that Cyber Risk Management currently has. The first being the “Burning Platform” problem. He stated that the Federal Acquisition Regulation (FAR) 52.204-21 for DOD suppliers requires 15 basic security controls which affects both primes and subcontractors. Also, smaller firms not recognizing the above and avoiding the expense.

The second being the Cyber Risk Management “Important” Problems. Mr. Luebke stated that the small and mid-sized supply chain companies have significant risk exposure, face risk exposure to their manufacturing production and the loss of IT infrastructure.

Mr. Luebke next stated the benefits / promises to DoD Cyber Companies is to provide diversification opportunity to bridge into industrial and commercial markets, to connect them with Virginia companies that will serve as test sites, to create referenceable clients sites for future sales and to help them learn more about DFARS and NIST regulatory drives and improve solution offerings which also should be aligned with ISO 27001.

Mr. Luebke informed the board of the benefits of cyber risk / security firms stating that creating a cluster of cyber expertise can make Virginia the “Silicon Valley” of cyber firms. That high job demand for cyber expertise causes universities and community colleges to offer targeted education creating jobs that can stay in Virginia.

Next Mr. Luebke shared with the board the Cyber Risk Management benefits to GENEDGE. He stated that it supports our position as a leading DoD supply chain transformation partner as well as our position as a leading business resource across Virginia. It gives us new revenue streams and links further into the supply chain. Also, having expertise development will allow us to work with larger companies on more complex issues for higher fees and dramatically increase GENEDGE's visibility across Virginia.

Mr. Luebke concluded by stating that GENEDGE is uniquely positioned for this offering.

~Website Update – Board Advisory Group~

Ms. McCarthy began her presentation by identifying the Website team. Linda Lancaster is the team leader and the team is comprised of Aimee McCarthy and Mindy Priddy from the marketing department, Tony Cerilli and Frank Watson from operations, Cindy DeOms from headquarters and Bill Donohue is the project sponsor.

Ms. McCarthy informed that board of the website requirements stating that the website should generate business for GENEDGE, educate, be clean and easy to navigate, and fully integrated with social media.

Ms. McCarthy concluded by discussing the five steps in developing the website. Step covers site map and navigation refinement and approval. In Step II they will approve content and the site design. Step III is comprised of the initial programming for the site, CMS implementation, site review and initial testing. Step IV is the Website launch. In Step V, they will monitor the website and make adjustments as needed for maximum performance.

~Succession Management~

Mr. Donohue discussed the Resources and Succession Plan with the board indicating that there were staffing and succession management challenges. He stated that there were staffing issues with ODU's search and that the issues were discussed with the ODU Foundation board in October. He then stated that the Technology Applications Center has been operating without sponsorship since being split from the Frank Batten College of Engineering; however, they recently received sponsorship from the ODU Office of Sponsored Research, to fill open positions and recruiting is now underway.

Mr. Donohue stated the proposed succession plan addresses up to eight key positions that will be vacated over the next three years due to exercising retirement options. The positions are:

- CFO/Business Manager / Facility Security Officer, September 1, 2017, vacancy
- Financial Manager at MTC, Fall 2018, vacancy probable
- Senior PM's at ODU, 2017 and 2018, vacancies expected
- PM & Lean Practice Manager, Winter 2018, vacancy
- Regional Manager, late Fall 2019, vacancy
- PM & Innovation Growth Coach, Fall 2019, vacancy

Ms. Glisson informed the board of the need for Project Manager Development. She stated that developing project managers requires training and development in GENEDGE processes, consulting and practices.

Next, Ms. Glisson shared that all new hires are now screened using Caliper Profiles which allow for individual development needs to be determined and planned for prior to onboarding. She informed the board that the Operations Manual was being updated by the VP of Operations, for internal training and to serve as a reference book.

Mr. Donohue added that internal competency training modules were being expanded and implemented by Operations for Strategy and Growth offerings. He also stated that a Project Management Professional certification pilot was being offered in the Spring of 2017.

Mr. Donohue concluded by discussing the necessary steps to recruit and fill each of the upcoming vacancies.

#### ~Staffing Updates~

Ms. Glisson reported that GENEDGE hired Jeff Shook as the Shenandoah Valley Project Manager. Mr. Shook has a BS in Electronic Engineering Technology. He has thirteen years of manufacturing shop floor experience and fourteen years in manufacturing engineering leadership. Mr. Shook has extensive expertise in large project management, continuous improvement methods including Lean, Six Sigma, Kaizen, and ISO 9001 auditing. He is a Certified Six Sigma Black Belt, CSCP, OSHA and a Kaizen trainer.

Ms. Glisson stated that John Hagwood was hired as the Southside Project Manager and is located in the Martinsville headquarters office. Mr. Hagwood has a BS in Engineering Technology; MS EE; MBA: Strategy and Operations. He was a materials Business Development Manager for New York's \$500M Power Electronics Manufacturing Consortium. Mr. Hagwood has twenty years of experience designing, developing and manufacturing semiconductor chips, market analysis, business planning, project management of technology and product design as well as, statistical analysis.

Ms. Glisson concluded that the new hires in the Valley and Martinsville, build capacity ahead of need with strong Lean and Growth hires. She stated that GENEDGE will begin recruiting once retirement notifications are received and that she will utilize GENEDGE and NIST MEP resources to train and develop the new hires.

#### ~Funding, General Assembly~

Mr. Donohue began by stating that on September 29, Congress passed an interim Continuing Resolution (CR) which kept Federal Funding at \$130MM, the same as last year, with the exception of an across the board rescission of 0.5%. This reduced funding to \$129.35MM and is only good until December 9. Mr. Donohue added that the President elect requested Congress to pass another interim CR that will end March 31, 2017. It is the same level of funding as the current bill.

Mr. Donohue asked “what does this mean for MEP?” He answered saying the MEP program provides a catalyst for the President elect’s agenda with national reach, very strong impact results and good market penetration. However, the MEP is challenged somewhat by the Manufacturing USA initiative. This initiative is intended to create up to 45 public / private partnerships that are focused on advanced manufacturing methods which will compete for funding <https://www.manufacturingusa.com>. But the good news is that GENEDGE is now teamed with two centers - PowerAmerica and NetFlex To help those centers reach industrial customers

Mr. Donohue informed the board that in July, the House passed the NIST Improvement Act of 2016 (H.R 5639), that includes language permanently reducing the cost share for MEP. The Honorable Barbara Comstock (R-VA) and the Honorable Don Beyer (D-VA) are strong committee supporters. He then informed the board that the MEP program has historically had good support from the Senate Commerce, Justice and the Science Committee however, minority support has declined with Senator Mikulski (D-MD) retiring.

Next Mr. Donohue stated that in late June, the Senate Commerce Committee passed the American Innovation and Competitiveness Act of 2016 (S.3084), which includes cost share reduction. The MEP program has strong support from the Commerce, Justice and Science Committee however, this support has generally not had strength over the House.

Mr. Donohue informed the board that the American Small Manufacturers Coalition (ASMC) is providing guidance on the Federal Advocacy action Plan. We expect increased local congressional staff office visitation, board and customer letters of support to congressional representatives, key patrons and committee heads and Department of Commerce key official customer visitations. Mr. Donohue stated that there will be a strong Hill Day presence March 8-9, 2017.

Mr. Donohue concluded by sharing that the MEP program has strong support from the Commerce, Justice & Science Committee. However, this support has generally not had strength over the House.

#### ~NIST Strategy Update~

Mr. Miles stated that work has begun to update the Strategic Plan at NIST MEP, targeting February 2017 for the first draft to be completed. He indicated that the current Strategic Plan is built on the “Four Pillars” of enhance competitiveness, champion manufacturing, supporting partnerships and to develop capabilities.

Mr. Miles informed the board that he attended a meeting at NIST MEP that was led by Ms. Carroll Thomas. Ms. Thomas opened with the statement that “the value of the MEP System will continue to be measured on how well we help our customers succeed.” She added that “the need for the national MEP System to be seen as a functioning networked system, which provides manufacturers access to more than just the expertise of the local center is considered critical in justifying the program.”

Next, Mr. Lucas stated that although NIST MEP is targeting a first draft in February 2017, the risk factor of this happening depends on receiving clear direction from the incoming administration. He also stated that the current NIST director, Willie May has to resign before the inauguration due to the fact that his position is political. His resignation date is January 4, 2017. An Interim director will be put in place until a new director is named. This process usually takes six to nine months.

Mr. Lucas next stated that the new Strategic Plan is for everyone in the MEP System and that GENEDGE is very well positioned to help NIST MEP with the implementation of the plan.

~Adjournment~

Ms. Franco asked if there was any new business and there was none Ms. Simpson reminded the board members to follow up with her regarding the 2017 meeting dates.

The Chairman adjourned the meeting.